file ACT/037/029 February 10, 1981 DIVISION OF Mr. James W. Smith, Jr. OIL, GAS & MINING Coordinator of Mined Land Development State of Utah Division of Oil, Gas, and Mining 1588 West North Temple Salt Lake City, Utah 84116 Dear Mr. Smith: Enclosed is a Declaration of Exemption for the Oljeto (Chum) Mine in San Juan County, Utah. This was prepared and ready to give to Mary Anne Wright when we showed her and Wayne Hedberg the mine on January 7. She stated there was an approved plan already on the area and she suggested we operate under that plan. She further stated she would send us a copy of it and all we would have to do is add addendums where our plan was different, submit it, and there would be no problem. So I waited for that plan. I appreciate your sending it to me, but after the events of the past few days I believe my original judgment was correct about the small miner's exclusion so that is why I am enclosing it. Following are the answers to the issues by your paragraph numbers: 1. Before meeting with Wayne Hedberg and Mary Anne Wright, we were unaware that we needed to file for an EPA-NPDES permit. When we became aware of that fact, I wrote a letter to Mr. Calvin Sudwicks on January 13, 1981, requesting an application, which I have not received. Mr. Hedberg and Ms. Wright did advise us of this procedure and we did take the proper steps as suggested. 2. The first we heard that it was necessary to construct a holding pond was last week when John Blake visited the mine. The day he was there Jerry Stocks constructed the pond as follows: Enclosed is a sketch showing the location of the pond. The topo maps available to us are too small to show the details of the pond area. b. The volume is decreasing as the Indian people said it would. At this time the discharge is 1200 gallons per day. c. The size of the dam itself is 20 feet long and 3 feet high and 7 feet wide, and was tamped down by a track loader so there would be no leakage. The pond is a 15 foot diameter and built on slick rock. It is out of the drainage area. Any seepage will go into the old workings on the property. d. The pond is being used at this time. -cont.-

Mr. James W. Smith, Jr. February 10, 1981 Page Two e. The impoundment will be completely removed. The area will be nicely graded. We are open to suggestions. 3. We did not know we had to have an approval prior to initiating the construction activities so Jerry built it the day Mr. Blake was there. 4. The waste material is being placed on slick rock in the area that Ms. Wright and Mr. Hedberg suggested. They did advise us of this problem. I have been unable to find a topographic map of a 1" & 200 feet minimum scale. If you have a suggestion as to where I can purchase one, I would appreciate it. The largest scale i have found is 1"= 1200 feet. 5. We will see that the area is clean when we leave. We have a very small trailer that will be removed. Garbage will be hauled into Moab on a weekly basis and deposited at the local dump. 6. Once again we have a problem with the map. Please help us on this problem. We truly try to comply with all requirements that we know about. We have currently accrued debts in the amount of \$80,000.00 and we have \$302.83 in the bank for the purchase of prell. We have to continue to operate to make equipment payments and pay obligations. Stopping the operation will destroy us financially so we are requesting that you allow us to continue the operation. We do not understand why we were not notified about the holding pond so we would have a chance to correct it. As far as the mining plan was concerned, I believed Mary Anne's word that we were working under the plan already approved and I was waiting to hear from her so I could add the addendums. Wayne helped explain the addendums to me. Your attention and help in this matter will be greatly appreciated. Sincerely, Phyllis Cortes Phyllis Cortes 2049 Murphy Lane Moab, Utah 84532 P.S. We are constructing a woven wire fence around the pond to keep out even small animals. The expense to repair the water destruction if left to run in the mine would be beyond our means. It would destroy us. -cont-



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An alternative solution to the water problem would be to pipe it into the workings of the old mine. Alternative B. attached

Also, enclosed is a mine plan per the request of Mr. A. J. Coffman.

| MR | FORM | 4 |
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STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING
1588 WEST NORTH TEMPLE
SALT LAKE CITY, UTAH 84116

DIVISION OF OIL, GAS & MINING

(See Mined Land Reclamation Act 40-8-4(6))

As provided for in Section 40-8-4 UCA 1953, I hereby declare an exemption from the "Utah Mined Land Reclamation Act", in that less than 500 tons of material is being mined or less than two (2) acres of land is being excavated or used as a disposal site during a period of twelve (12) consecutive months, from the following designated claims, leases, or fee acreage.

| NAME OF CLAIM, LEASE, OR FEE ACREAGE | 1,1 SECTION | TOWNSHIP | RANGE | COUNTY |
|--------------------------------------|-------------|----------|-------|----------|
| Chum Mine | 36 | 43 50. | 14E | San Juan |
| | | | | |
| | | | | |
| | | | | |
| Commodity: uranium | | | | |
| Date: January 5, 1981 | Signature: | Phylle | is Ci | ortes |
| OPERATOR: Lum Company | Ine. | | | |
| ADDRESS: 2049 Murphy | | Moab | Utah | |
| TELEPHONE: 259-6477 | | | | |

*This form needs to be filed one time only. In the event more than the minimum size requirements are mined, a Notice of Intention to Commence Mining Operations (MR Form 1) and a Mining and Reclamation Plan (MR Form 2) will need to be filed with this office.